

Credit Interest Relief – Qualifying Criteria

As part of COVID-19 relief, Capitec is offering credit payment relief in the form of a payment break or variable rescheduling on your loan. If you opt in for a payment break or variable rescheduling, you may pay a reduced or no instalment. However, interest still applies which means your total cost of credit will increase. To help with this, Capitec is also offering a 100% interest refund on the interest charged during the first 3 months. This is available to clients who opted in for a payment break or rescheduling between 26 March – 19 July 2020.

To qualify, you must:

- have opted in for a payment break or variable rescheduling on your loan
- make consistent payments on your loan once your payment relief ends

How the interest refund works

- Once you make 6 successful loan repayments, you will receive an interest refund equal to 50% of the interest charged during the first 3 months of your payment break or variable rescheduling. This refund will be paid directly into your loan account as a capital reduction
- After a further 6 successful repayments, you will receive another 50% of the interest charged during the first 3 months
- The interest refund is valid for repayments made up until 31 July 2021 and only applies to payment breaks or rescheduling taken up between 26 March – 19 July 2020

For example:

- You take a **3-month payment break** on your loan during March – May 2020
 - Loan balance: R100 000
 - Interest rate: 18%
 - Instalments remaining: 36
 - Interest calculated over 3-month payment break: R4 568
- After 6 successful loan repayments (June – November 2020): A 50% interest refund of R2 284 is paid into your loan account in November 2020
- After a further 6 successful loan repayments (December 2020 – May 2021): Another 50% interest refund of R2 284 is paid into your loan account in May 2021
- The full interest refund = R4 568 and you therefore paid zero interest during the 3-month payment break

- You take **variable rescheduling** on your loan during March – June 2020
 - Loan balance: R100 000
 - Interest rate: 18%
 - Instalments remaining: 36
 - Interest calculated over the first 3 months of your 4-month variable rescheduling period: R4 524
- After 6 successful loan repayments (March – August 2020): A 50% interest refund of R2 262 is paid your loan account in August 2020. The 4-month rescheduling period is included in the 6 months as you still pay your loan during this time
- After a further 6 successful loan repayments (September 2020 – February 2021): Another 50% interest refund of R2 262 is paid into your loan account in February 2021
- The full interest refund = R4 524, you therefore paid zero interest during the first 3 months of your 4-month variable rescheduling period

Qualifying Criteria

- You must have successfully applied for a payment break or variable rescheduling between 26 March 2020 – 19 July 2020 as part of the Capitec COVID-19 credit payment relief
- The **total amount of interest** refundable to you will be equal to the total amount of interest payable during the first 3 months of your last payment break or variable rescheduling between 26 March – 19 July 2020
- If you are paid **monthly**, you will need to repay your agreed loan instalment in full for 6 consecutive months to qualify for a 50% interest refund of the total amount of interest. You need to repay your agreed loan instalment in full for a further 6 consecutive months (12 consecutive months' repayments in total) to qualify for an additional 50% refund of the total amount of interest
- Each interest refund will be paid directly into your loan account as a capital reduction at the end of each 6-month period
- If you are paid **weekly**, you will need to repay your agreed loan instalment in full for 24 consecutive weeks to qualify for the first 50% refund. To qualify for an additional 50% interest refund, you will need to repay your agreed instalment in full for a further 24 consecutive weeks (48 consecutive weeks' repayments in total)
- If you are paid **fortnightly**, you will need make 12 consecutive loan repayments in full to qualify for the first 50% refund, and an additional 12 consecutive loan repayments in full (24 consecutive loan repayments in total) to qualify for the additional 50% interest refund
- The qualifying payment period for the interest refund will end on 31 July 2021. Any loan repayments made after this date will not count towards the consecutive payments required to qualify for the interest refund
- If you miss a loan repayment, there is still an opportunity for you to make 6 consecutive monthly repayments thereafter to qualify for the interest refund
- The count of consecutive repayments on your loan will restart if you:
 - miss an agreed repayment on your loan
 - reschedule your loan again during the qualifying payment period
 - reverse/dispute any of the loan repayments you made
- If you settle your loan with internal credit (a consolidation loan from Capitec), the count of consecutive repayments will continue. If you settle through any other method other than internal credit, the interest refund will be made into your nominated savings account
- For weekly and fortnightly clients, missed loan repayments during the December 2020 cash payment period will not restart the count of consecutive loan repayments
- You will no longer qualify for an interest refund and forfeit all/any interest refunds if for any reason you miss the full repayment of 2 or more consecutive contractual loan instalments as agreed in your credit agreement. This means that if you pay less than your full contractual loan instalment as agreed in your credit agreement for 2 or more consecutive months, you will no longer qualify for the interest refund
- The interest refund is provided at Capitec's discretion and Capitec may terminate the payment of interest refunds at any time without prior notice to you. If you qualify, it does not constitute an amendment to your credit agreement. Capitec reserves all its rights in terms of your credit agreement

Variable Rescheduling % of instalment due	Apr-20 20%	May-20 40%	Jun-20 60%	Jul-20 80%	Aug-20 100%	Sep-20 100%	Oct-20 100%	Nov-20 100%	Dec-20 100%	Jan-21 100%	Feb-21 100%	Mar-21 100%	Apr-21 100%	May-21 100%	Jun-21 100%
First 6 successful payments 50% payment of m1 – m3 interest															
Second 6 successful payments Further 50% payment of m1 – m3 interest															

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Conditions apply. Fees include VAT.

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